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UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D C 20548

CIVIL DIVISION

SEP 19 1969

Dear Mr. Attorney General:

We have reviewed selected administrative operations and related financial transactions except for employee compensation in the Legal Activities and General Administration area, Department of Justice, for the purpose of settling the accounts of accountable officers through fiscal year 1968.

During our review we found that no internal examinations had been made of the financial or program activities of the headquarters organizations of the Department. Our review also showed a need for the Department to improve internal control over disbursements by improving the examination, coding, and recording of vouchers. The Accounts Section, Office of Budget and Accounts, audits only vouchers it prepares and those submitted by the Board of Parole, Board of Immigration Appeals, Pardon Attorney, and Office of the Solicitor General. The Accounts Section does not audit vouchers of the litigating divisions or those submitted by the U. S. marshal and U. S. attorney offices. Each of the litigating divisions audits its own vouchers.

During our review we found questionable travel practices, improper coding of expenses, variances in fees paid for certain contract reporting services and attendance fees within judicial districts, and miscellaneous deficiencies in disbursements other than for travel expenses. These matters are discussed below and are being brought to your attention so that appropriate corrective actions can be taken.

QUESTIONABLE TRAVEL PRACTICES

Return to headquarters on weekends  
and overpayments of per diem

We found instances where additional costs to the Government resulted because employees returned to their official duty stations on weekends and generally departed on Mondays to the same temporary duty stations. The employees did not indicate on their vouchers that the returns to their official duty stations were on official business. The additional plane and taxi fares paid exceeded the per diem which would have been paid had the employees remained at their temporary duty stations on the weekends.

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We found that two employees incurred about \$2,500 in additional costs during calendar year 1968 as a result of frequent returns to headquarters on weekends. During a 10-month period one of the employees returned to headquarters 30 out of 45 weekends; during a 9-month period the other employee returned 22 out of 38 weekends.

Although the weekend trips were authorized, we believe that the Department should consider whether the practice of authorizing employees to return to their official duty stations on weekends is in the best interest of the Government. Similar situations were brought to the attention of the Department in our letter dated February 26, 1968.

We also found many instances where questionable payments of per diem were made to employees who departed on trips earlier than appeared necessary and returned after the period shown on the supporting travel authorizations.

#### Excessive use of taxicabs

In our selective tests we found about 440 instances in which employees used taxicabs to travel between airports and their place of business or home, instead of utilizing less costly modes of transportation such as limousine (bus) or a combination of limousine (bus) and taxicab services.

Section 3.1, subsection b, of the Standardized Government Travel Regulations, as amended April 30, 1967, provides that an agency should restrict the use of taxicabs when suitable service including airport limousine service is available for all or a part of the distance involved. Also, the Department of Justice Travel Regulations (section 9g of Memo 428, dated September 30, 1965), provide that when available and practicable, less costly transportation such as busses or limousines will be utilized in going to and from air-terminals.

#### Other questionable travel payments and practices

We found that:

1. Travel requests and authorizations were (a) dated as being approved after the period of travel, rather than before as required, (b) not attached to the travel vouchers, or (c) not approved.

2. Inconsistent taxicab fares were paid for trips between the same points, and taxicab fares exceeding the \$6.90 maximum were paid without specific authority.
3. Per diem, and plane, train, taxicab, or subway fares were paid for travel expenses incurred for personal reasons.
4. There was no explanation given for (a) first class air travel, (b) trips made to places other than those shown on the travel authorization, and (c) not using the most economical mode of transportation.
5. Erroneous mileage claims were paid.
6. The per diem rate was not reduced although the traveler remained at his temporary duty station for over 30 days.
7. Many travel vouchers contained omissions and errors regarding airlines used, arrival and departure times, or home addresses.
8. The practice of obtaining travel advances from the U. S. Marshal's office in Fort Worth, Texas, by the Tax Division employees resulted in unnecessary paperwork. We believe that these employees should obtain travel advances from the Accounts Section, Office of Budget and Accounts, Administrative Division, in Washington, D. C., in accordance with the procedures established by the Department.

#### IMPROPER CODING OF EXPENSES

We found instances where the procedures followed for recording travel advances made to employees in U. S. marshal and U. S. attorney offices resulted in incorrect postings to object classification accounts. We found that when an advance is made in these offices the entire amount of the advance is charged to a mileage object classification instead of establishing a receivable on the books of account. In liquidating the advance, the object classifications of travel expenses other than for mileage are not charged unless the amount of the voucher is in excess of the advance. As a result the mileage object classification is overstated and the per diem and other travel expense object classifications are understated.

We also found instances (1) where other expenses were charged to the incorrect object classification, (2) of arithmetic errors, and (3) of erroneous contract number references.

VARIANCES IN FEES PAID WITHIN  
JUDICIAL DISTRICTS

We found considerable variances in rates paid for certain contract reporting services and attendance fees within the same judicial districts. These services included (1) originals and copies of depositions, (2) attendance fees for reporters, and (3) attendance fees for interpreters.

MISCELLANEOUS DEFICIENCIES IN  
DISBURSEMENTS OTHER THAN FOR  
TRAVEL EXPENSE

Other deficiencies disclosed in our review were:

1. Some vouchers were not supported by related purchase orders, invoices, and receiving reports.
2. In some instances, an excessive time lapse occurred between receipt of billings and the related payment. In one instance, monthly computer rental payments were not made for 14 months, and in other instances discounts were lost.
3. In many instances, separate checks were issued to the same payee, when payment could have been made by one check.
4. In several instances expenditures totaling over \$600 were made for items that were not authorized by the contracts cited on the vouchers.

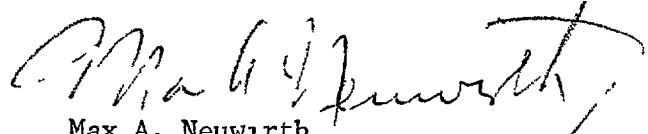
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In our opinion, the frequency of occurrence of the matters presented herein is indicative of a need to improve the processing and examination of vouchers. We believe that action should be taken to ensure that disbursements are made in a more efficient, effective, and economical manner, and in accordance with existing regulations.

Pursuant to 8 GAO 13, the records of financial transactions through June 30, 1968, may be transmitted to the Federal Records Center for storage in accordance with the Department's overall records management program.

We will be pleased to discuss the matters presented herein with you or your representatives. We wish to acknowledge the courtesies and co-operation extended to our representatives during the review.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Max A. Neuwirth". The signature is fluid and cursive, with a long horizontal stroke at the end.

Max A. Neuwirth  
Associate Director

The Honorable  
The Attorney General